

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Ida Post Office
Ida, Arkansas 72546-9998

Docket No. A2011-48

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(October 11, 2011)

On August 17, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked August 9, 2011, from postal customer Earlene Cannon, on behalf of the Committee to Save Ida Post Office (Petitioner), objecting to the discontinuance of the Post Office at Ida, Arkansas. On August 18, 2011, the Commission issued Order No. 813, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 813, the Postal Service filed the administrative record in this docket on September 1, 2011. On September 13, 2011, the Petitioner filed a Form 61 Participant Statement (participant statement) in support of the petition.

The appeal received by the Commission on August 17, 2011, and the participant statement raise three main issues: (1) the effect on postal services, (2) the impact upon the Ida community, and (3) the calculation of economic savings expected to result from discontinuing the Ida Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact

¹ See 39 U.S.C. 404(d)(2)(A).

upon postal employees. Accordingly, the determination to discontinue the Ida Post Office should be affirmed.

Background

The Final Determination to Close the Ida, AR Post Office and Continue to Provide Service by Rural Route Service (FD), as well as the administrative record, indicate that the Ida Post Office provides EAS-11 level service to 50 Post Office Box or general delivery customers and 75 delivery customers. The Ida Post Office also provides service to retail customers 42 hours per week. FD, at 1; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet (Fact Sheet).² The postmaster of the Ida Post Office retired on July 31, 2009. Since the postmaster vacancy an OIC has been installed to operate the Ida Post Office.³ The average number of daily retail window transactions at the Ida Post Office is nine. Revenue has generally been declining: \$17,572.00 in FY 2008 (46 revenue units); \$15,150.00 in FY 2009 (40 revenue units); and \$14,522.00 in FY 2010 (38 revenue units).⁴ The Ida Post Office has no meter or permit customers. FD at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by the Heber Springs Post Office, an EAS-20 level office, which has 332 available Post Office Boxes. FD at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2. In addition, retail service is available at the Tumbling Shoals Post Office, an EAS-

² In these comments, specific items in the administrative record are referred to as "Item ____."

³ FD, at 2, 5-6; Item No. 18, Fact Sheet; Item No. 33, Proposal to Close the Ida, AR Post Office and Continue to Provide Service by Rural Route Service ("Proposal"), at 2.

⁴ FD, at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

13 level office, located four miles away, which has many Post Office Boxes available.

FD, at 2; Item No. 4, Highway Map, at A; Item No. 18, Fact Sheet. This service will continue upon implementation of the FD. FD at 2, 6.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Ida Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to customers of the Ida Post Office. Questionnaires were also available over the counter for retail customers at the Ida Post Office. FD at 2; Item No. 20, Questionnaire Instruction Letter from Post Office Review Coordinator to OIC/Postmaster at Ida Post Office. A letter from the Manager, Consumer Affairs & Claims, Arkansas District was also made available to postal customers, which advised customers that the Postal Service was evaluating whether to continue operation of the Ida Post Office and that effective and regular service could be provided through the Heber Springs Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change that would involve providing postal services from the Heber Spring Post Office. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Ida Post Office for a community meeting on March 10, 2011, to answer questions and provide information to

customers. FD at 2; Item No. 21, Letter to Customer, at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 2. Customers received formal notice of the Proposal and FD through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Ida Post Office from March 16, 2011 to May 17, 2011. FD, at 2; Item No. 33, Proposal, at 1. The FD was posted at the Ida Post Office starting on August 4, 2011, and at the Tumbling Shoals Post Office and the Heber Springs Post Office starting on August 29, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, a minimal workload, declining office revenue,⁵ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁶ minimal impact upon the community, and the expected financial savings,⁷ the Postal Service issued the FD.⁸ Regular and effective postal services will continue to be provided to the Ida community in an effective manner upon implementation of the final determination. FD at 2, 6.

Each of the issues raised by the Petitioner is addressed in the paragraphs that follow.

⁵ See note 4 and accompanying text,

⁶ FD, at 3-4, 6; Item No. 33, Proposal, at 2-5.

⁷ FD, at 5; Item No. 17, Cost Analysis; Item No. 18, Fact Sheet; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 6.

⁸ FD, at 6.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Ida Post Office on postal services provided to Ida customers. The closing is premised upon providing regular and effective postal services to Ida customers.

The Petitioner, in the letter of appeal and participant statement, raises the issue of the effect on postal services of the Ida Post Office's closing, noting the convenience of the Ida Post Office and requesting its retention. The Petitioner expresses particular concern about possible added expenses to the customer, inconvenience, the distance to the nearest Post Office, diminished access to mail, and the security of the mail. Each of these concerns was considered by the Postal Service.

Upon the implementation of the final determination, delivery and retail services will be provided by rural route delivery under the administrative responsibility of the Heber Springs Post Office. The window service hours of the Heber Springs Post Office are from 8:30 a.m. to 4:30 p.m., Monday through Friday, and 8:30 a.m. to 12:30 noon on Saturday. FD, at 2. In addition, retail service is also available at the Tumbling Shoals Post Office, an EAS-13 level office, located four miles away. FD, at 2.

As for Petitioner's concerns about added expenses, the Postal Service explained that customers opting for carrier service will not have to pay post office box fees. Also, customers opting for carrier service will not have to drive to the Post Office to retrieve their mail. FD, at 4; Item No. 23, Postal Customer Questionnaire Analysis; Item No. 33, Proposal, at 5.

The petitioner expressed concern about the inconvenience to the customer caused by the discontinuance of the Ida Post Office. The Postal Service explained that services provided at the Post Office will be available from the carrier, and customers will not have to travel to another post office for service. Most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order Application forms are available for customer convenience. FD, at 3; Item No. 23, Postal Customer Questionnaire Analysis; Item No. 33, Proposal, at 2.

The petitioner expressed concern about diminished access to mail. The Postal Service explained that customers opting for carrier service will have 24-hour access to their mail. FD, at 4; Item No. 33, Proposal, at 4.

The petitioner expressed concern about the security of the mail. The vandalism report included in the administrative record indicates no recent reports of mail theft or vandalism in the area. Item No. 14, Vandalism Report; Item No. 15, Post Office Survey Sheet, at 1. The Postal Service explained that customers may place a lock on their mailboxes. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. The Postal Service does not open mailboxes which are locked and does not accept keys for this purpose. FD, at 3; Item No. 23, Postal Customer Questionnaire Analysis; Item No. 33, Proposal, at 3.

The Postal Service has considered the impact of closing the Ida Post Office upon the provision of postal services to Ida customers. Upon the implementation of the Final Determination, delivery and retail services will be provided by rural route service under the administrative responsibility of the Heber Springs Post Office. Delivery and retail

services may be available from a rural or contract delivery carrier, so that customers do not have to make a special trip to the Post Office for service. FD, at 6; Item No. 33, Proposal, at 2-3, 5. Post Office Boxes are available not only at the Heber Springs Post Office, but also at the Tumbling Shoals Post Office located four miles away. Item No. 18, Fact Sheet. Thus, the Postal Service has properly concluded that all Ida customers will continue to receive regular and effective service.

Effect Upon the Ida Community

The Postal Service is obligated to consider the effect of its decision to close the Ida Post Office upon the Ida community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Ida is an unincorporated community located in Cleburne County. The questionnaires completed by Ida customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Ida must travel elsewhere for other supplies and services. See generally Item No. 22, Returned Customer Questionnaires and Postal Service Response Letters, at 2-3, 5, 7, 10, 12-26, 28, 31, 33-34, 37-47.

The Petitioner's letter of appeal raises the issue of the effect of the closing of the Ida Post Office upon the Ida community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 2-4; Item No. 33, Proposal, at 2-3, 5. The Postal Service explained that retail service will be available not

only at the Heber Spring Post Office, but also at the Tumbling Shoals Post Office located four miles away, which has many Post Office Boxes available. FD, at 2; Item No. 4, Highway Map, at A; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

The Petitioner expresses concern that the Ida Post Office is of historical significance. A Post Office has been located in Ida for many years, but the building the Ida Post Office is located in is not a state or national historic landmark. Item No. 16, Community Survey Sheet.

That the Ida Post Office plays a role in the community other than just providing postal services was considered by the Postal Service. FD at 2-4; Item No. 18, Community Survey Sheet; Item No. 22, Returned Customer Questionnaires and Postal Service Response Letters, at 1; Item No. 23, Postal Service Customer Questionnaire Analysis. Communities require regular and effective postal services and these will continue to be provided to the Ida community. A community's identity derives from the interest and vitality of its residents and their use of a community name. FD, at 2; Item No. 22, Returned Customer Questionnaires and Postal Service Response Letters, at 2; Item No. 23, Postal Service Customer Questionnaire Analysis; Item No. 33, Proposal, at 2. Further, the Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Ida name and ZIP Code in addresses. FD at 2; Item No. 23, Postal Service Customer Questionnaire Analysis; Item No. 33, Proposal, at 2.

In addition, the Postal Service has concluded that nonpostal services provided by the Ida Post Office can be provided by the Heber Springs Post Office. Government

forms usually provided by the Post Office are also available by contacting local government agencies. FD at 4; Item No. 33, Proposal, at 5.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Ida Post Office on the community served by the Ida Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Ida Post Office and would still provide regular and effective service. The estimated annual savings associated with discontinuing the Ida Post Office are \$59,711.00. FD at 5; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 6.

The Petitioner questions the financial figures used by the Postal Service in its estimates of the economic savings that would result from the proposed closing. The Postal Service determines postmaster level and Post Office service hours by analyzing the workload of a Post Office. Such analysis is included in the administrative record in Item No. 8, PS Form 150, Postmaster Workload Information; Item No. 9, Worksheet for Calculating Workload Service Credit (WSC) for Post Offices; Item No. 10, Window Transaction Survey; Item No. 11, Survey of Incoming Mail; and Item No. 12, Survey of Dispatched Mail.

The annual lease cost of \$3,000 is documented in the administrative record at FD, at 5; Item No. 15, Post Office Survey Sheet, at 1; Item No. 29, Proposal Checklist, at 2; Item No. 33, at 6.

Economic factors are one of several factors that the Postal Service considered. Economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 5; Item No. 33, Proposal, at 6.

The Postal Service determined that delivery and retail services by rural route service under the administrative responsibility of the Heber Springs Post Office is more effective than maintaining the Ida postal facility and postmaster position. FD, at 6. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster position became vacant when the postmaster retired on July 31, 2009. Since the postmaster vacancy, an OIC has been installed to operate the Ida Post Office.⁹ Upon implementation of the final determination, if the office has a noncareer employee, that employee may be separated from the Postal Service. FD, at 6. The

⁹ FD, at 2, 5-6; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

record shows that no other employee would be affected by this closing. FD, at 6; Item No. 33, Proposal, at 6. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Ida Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Ida Post Office on the provision of postal services and on the Ida community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Ida customers. FD, at 6. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Ida Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Ida Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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